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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants:	Hong M. Dang et al.	§	Art Unit:	3627
		§		
Serial No.:	09/995,294	§		
		§	Examiner:	Elaine L. Gort
Filed:	November 26, 2001	§		
		§		
For:	An Intelligent Apparatus,	§	Atty. Dkt. No.:	100111405-2
	System and Method for	§		(HPC.0341US)
	Financial Data Computation,	§		
	Report Remittance and Funds	§		
	Transfer Over an Interactive	§		
	Communications Network	§		

**Mail Stop Appeal Brief-Patents**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**REPLY BRIEF**

Sir:

The following sets forth Appellant's Reply to the Examiner's Answer dated October 24, 2008.

**I. NEW GROUND OF REJECTION UNDER 35 U.S.C. § 103 TO BE REVIEWED ON APPEAL**

- Claims 1, 2, 4, 6, 7, 9-13, 17-19, and 23-25 Rejected Under 35 U.S.C. § 103 as Obvious Over Johnson (U.S. Publication 2002/0052792) in view of Thomson (WO 01/71606), Gage (Tools Introduced to Aid Growing EFT Tax Payments), and "Examiner's Official Notice"

In the Examiner's Answer dated October 30, 2008, the Examiner raised a new ground of rejection under 35 U.S.C. § 103 against claims 1, 2, 4, 6, 7, 9-13, 17-19, and 23-25. In response

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to the new ground of rejection, Appellant requests that the appeal be maintained, and the arguments responding to the new ground of rejection are set forth below.

1. Claims 1, 2, 4, 17-19

In the new ground of rejection, the Examiner rejected claim 1 as purportedly obvious over Johnson, Thomson, Gage, and “Official Notice.”

Claim 1 recites a first server associated with a merchant, and a service provider computer system associated with a service provider to which the merchant is subscribed, where the service provider computer system comprises a second server, communications infrastructure, third server, and fourth server. Claim 1 thus clearly delineates a server associated with a merchant from servers associated with the service provider computer system, where the servers of the service provider computer system provide the various tasks recited in claim 1. The benefit of using a service provider computer system that is separate from the server of the merchant, in accordance with some embodiments, is that the merchant (or subscriber) can outsource the burden of tax calculation and remittance to a service provider. *See* Specification, p. 42, lines 3-9.

The provision of a server associated with a merchant and a separate service provider computer system associated with a service provider to which the merchant is subscribed, where the service provider computer system has the servers of claim 1, is clearly not taught or hinted at by Johnson. In fact, Johnson teaches subject matter that is both **different and inconsistent** with the claimed features.

Fig. 12 of Johnson depicts a web merchant 104 that is able to access a system administrator 108 for the purpose of obtaining taxability and tax rate information for items that are selected by a consumer making a purchase with the merchant. *See* Johnson, ¶ [0105]. The system administrator 108 of Johnson administers a master database that stores tax assessment

information, including whether an item is taxable, non-taxable or tax-exempt, and if taxable, the appropriate tax rate. Johnson, ¶ [0062]. However, as specifically taught by Johnson, the transfer of accumulated tax to a state escrow account for making tax payments to a taxing jurisdiction is performed by the merchant, *not* by the system administrator. See Johnson, Fig. 12 (104, 122, 128), ¶ [0107]. In fact, Johnson explicitly states that the retailer “**must** first set up a separate ACH debit/credit account with its financial institution for the purpose of capturing tax.” Johnson, ¶ [0103] (emphasis added). Rather than providing a service provider computer system (to which the merchant is subscribed) to perform the tasks of computing taxes due on a corresponding transaction **and** transmitting a file to a selected financial institution for remission of funds to a government authority, Johnson specifically teaches that the merchant (or retailer in the context of Johnson) **must** itself perform the task of transferring accumulated tax to the taxing jurisdiction.

Such teaching of Johnson is directly **at odds** with the claimed subject matter. For at least this reason, the obviousness rejection is clearly defective. Rather than hint at the claimed invention, the only reference (Johnson) relied upon by the Examiner **leads away** from the claimed invention, thereby establishing that claim 1 is clearly non-obvious over Johnson.

The Examiner argued that “[t]he fact that communications go thru the web merchants server does not precluded [sic] the defined servers of the ‘service provider servers’ as carrying out the claimed functions.” Examiner’s Answer at 9. However, this statement actually is contradicted by the teachings of Johnson itself, which states that the retailer “**must** first set up a separate ACH debit/credit account with its financial institution for the purpose of capturing tax.” Johnson, ¶ [0103].

The Examiner also argued that Johnson in ¶ [0107] states that the bank 122 “transfers tax to state escrow accounts,” and that the Examiner “has defined the service provider to include the bank system.” Examiner’s Answer at 9. If the bank system is to be considered the “service provider computer system” of claim 1, there is no teaching or hint in Johnson that the bank system computes taxes due on a corresponding transaction, or stores the tax due in a database file, or converts the database file from an XML-based format to a TXP-based format, or periodically transmits the second file to a selected financial institution, as recited in claim 1.

With respect to the rejection of claim 14, the Examiner took the position that the service provider computer system is construed by the Examiner to include not only the system administrator’s on-line system but also the consumer’s lending institution’s on-line computer system. 3/18/2008 Office Action at 2. However, claim 1 recites that the service provider computer system is associated with “a” service provider to which the merchant is subscribed. The system administrator and consumer’s lending institution constitutes two different providers. Therefore, this feature of claim 1 cannot be satisfied by Johnson.

The obviousness rejection of claim 1 and its dependent claims is defective for at least the above reasons.

The Examiner further conceded that Johnson fails to disclose receiving XML-based data and converting a database file from an XML-based format to a TXP-based format for receipt by an automated clearinghouse network. 3/18/2008 Office Action at 5. As purportedly disclosing the above features, the Examiner cited Thomson as disclosing “XML formatted data for communicating between servers,” and Gage as disclosing that the financial clearinghouse industry uses the TXP-based format and “automatically format[s] TXP payment information to meet state requirements (for example see paragraphs 5+).” Examiner’s Answer at 7.

However, nowhere in any of the cited references is there any hint of receiving XML-based data and converting a database file from an XML-based format to a TXP-based format for receipt by an automated clearinghouse network. The piece-meal combination of reference teachings made by the Examiner is a classic example of using impermissible hindsight to piece together disparate teachings of the cited references, which do not provide any reason to combine their reference teachings.

The above is a further reason that the obviousness rejection is defective.

In the Examiner's Answer, the Examiner took "Official Notice" that distribution of software functionality over a particular set of servers is "notoriously old and well known." Examiner's Answer at 7. However, such "Official Notice" in the abstract does not rebut the specific teachings of Johnson that would have led a person of ordinary skill in the art away from the claimed subject matter, as explained above. Nor does such "Official Notice" provide any teaching of converting a database file from an XML-based format to a TXP-based format, as recited in the claim.

In view of the foregoing, it is clear that claim 1 is non-obvious over Johnson, Thomson, Gage, and "Official Notice."

Independent claims 2 and 4 are allowable over the cited references for similar reasons.

Reversal of the final rejection of the above claims is therefore respectfully requested.

## 2. Claims 6, 7, 9

The obviousness rejection of claim 6 over Johnson, Thomson, Gage, and "Official Notice" is also defective for similar reasons as stated above.

Moreover, claim 6 further recites that the fourth server has an infrastructure service module having a series of discrete modular functions including a security module for insuring system security over the interactive communications network, a system backup and recovery module, a real-time and continuous accessibility module, a system monitoring module and a system load balancing and scalability module. The Examiner took official notice that such features are “notoriously old and well known . . . .” 3/18/2008 Office Action at 6; Examiner’s Answer at 8. Note that the Examiner had previously relied upon another reference, Propel, as disclosing features of claim 6 conceded by the Examiner not to be present in Johnson. *See* 4/19/2006 Office Action at 6. However, presently, the Examiner had removed Propel as a reference, and rather relied upon taking of official notice. It is apparent that objective evidence of record does not establish that features of claim 6 were notoriously old and well known—therefore, the taking of official notice of the additional features of claim 6 is also improper.

In the Response to Argument section of the Examiner’s Answer, the Examiner argued that Johnson in ¶ [0034] discloses a system having individual software and database modules which are separate functional elements. Examiner’s Answer at 10. Such teaching of Johnson, however, does not provide any teaching or hint of the fourth server having an infrastructure service module having a series of discrete modular functions including a security module for insuring system security over the interactive communications network, a system backup and recovery module, a real-time and continuous accessibility module, a system monitoring module and a system load balancing and scalability module.

The obviousness rejection of claim 6 is therefore defective.

Independent claims 7 and 9 are similarly allowable.

Reversal of the final rejection of the above claims is respectfully requested.

2. Claims 10, 12, 13, 24

The obviousness rejection of claim 10 over Johnson, Thomson, Gage, and “Official Notice” is also defective.

Independent claim 10 recites a service provider computer system associated with a service provider and that has a web server to receive XML-based transactional data from servers associated with corresponding merchants that are subscribers of the service provider. Moreover, the service provider computer system further has a third device having a modular tax computation programming for computing any taxes due on the corresponding transactions, and a fourth device having modular tax remittance programming for converting the second selected file from an XML-based format to a TXP-based format for use in an automated clearinghouse institution for remission of funds to the governmental authority. For reasons similar to those given for claim 1, the cited references do not provide any teaching or hint of the above features.

Therefore, the obviousness rejection of claim 10 and its dependent claim is in error.

Independent claims 12 and 13 are allowable for similar reasons as claim 10.

Reversal of the final rejection of the above claims is respectfully requested.

2. Claim 11

The obviousness rejection of claim 11 over Johnson, Thomson, Gage, and “Official Notice” is also defective.

Claim 11 recites a service provider computer system associated with the service provider, which includes second, third, fourth, fifth, sixth, and seventh devices. The obviousness rejection of claim 11 is based on the erroneous assertion made against independent claim 14 that the

“service provider computer system is construed by the Examiner to include not only the system administrator’s on-line system, but also the consumer’s lending institution’s on-line computer system.” 3/18/2008 Office Action at 2; Examiner’s Answer at 10. This assertion is inconsistent with the claim language, which specifies a service provider computer system having the various devices that are associated with the service provider. The system administrator of Johnson is one service provider, and a lending institution is another service provider. Thus, Johnson does not provide any hint of a service provider computer system associated with one service provider, as recited in claim 11.

In view of the foregoing, it is respectfully submitted that the hypothetical combination of Johnson, Thomson, Gage, and “Official Notice” would not have led to the claimed invention. The obviousness rejection of claim 11 is therefore defective.

Reversal of the final rejection of the above claim is respectfully requested.

2. Claim 23, 25

Claims 23 and 25 depend from base claim 20. Claims 23-25 are further allowable for reasons stated above with respect to claim 1.

Therefore, reversal of the final rejection of the above claims is respectfully requested.




CONCLUSION

In view of the foregoing, and in view of the arguments presented in the Appeal Brief, reversal of the final rejection is respectfully requested.

Respectfully submitted,

Date: Dec 30, 2008

  
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